

FIP Associates has trained personnel from over 20 investment promotion agencies around the world and they also established good business contacts in a number of these countries.

FIP Associates creates custom designed FDI training programs for its clients which run from two to four days. These training programs provide to IPA personnel and other FDI related partners, a structured approach to promoting foreign investment. There are many aspects that receive detailed attention so that IPAs can better compete with other countries seeking essentially the same type of investors.

Since November 2007, Mr. Desbiens performed a number of FDI training contracts for **TFO Canada** (www.tfocanada.ca), a Canadian non-governmental organization primarily involved with assisting developing countries. To fulfil these contracts, Mr. Desbiens hired his principal associate, Mr. George Woods, an FDI expert recently retired from the Invest in Canada Bureau. Mr. Desbiens' experience of 20 years abroad as Canadian Trade Commissioner where he met numerous CEO and other key personnel from TNCs combined with Mr. Woods career at the Canadian IPA in Ottawa, provide FIP Associates clients with a comprehensive understanding of all facets of the FDI promotion functions. This expertise is particularly praised in times where competition is very intensive.

The FDI introductory course is structured around an **IPA roadmap, an exclusive product from FIP Associates**. It allows participants to easily understand the basic functions expected of an IPA and their personnel abroad. Each chapter contains PowerPoint presentations which are followed by a case study which allows each participant to assimilate the particular chapter. In addition, FIP Associates can produce a facilitator's guide which allows the client IPA to run its own training programs in the medium to long term. Each course is accompanied by a CD ROM which contains not only the course PPT slides but also several related background documents which enable participants to gain additional knowledge after the course. FIP Associates can also produce **specialised FDI courses** on given subjects which go beyond the FDI introductory course. In addition, FIP Associates can produce **value propositions** and **business cases** to its clients as well as a variety of complementary products to help improve the IPA's website.

Investment training (FDI) being the main activity of FIP Associates, the following is an example of the course content presented to a class of future South African diplomats. Messers Desbiens and Woods combined their efforts to design and deliver this training program which included more than 250 PPT slides divided in 10 chapters and it included 8 case studies. This training package also included a 122 pages facilitators' guide and a CD ROM containing 26 reference documents in addition to the course PPT. The following is a short overview of the modules for the course:

Module 1: Setting the scene - Understanding FDI

This module provides some basic FDI related definitions and a world perspective on FDI trends and the benefits which it can bring to a national economy. Most countries now have investment promotion agencies (IPAs) and competition becomes more and more difficult. It is therefore important to be well positioned to attract multinationals which are highly solicited.

Module 2: The Investment Climate

In order to attract investors, you need first to be able to understand their needs or motivations. The World Bank has regrouped those in four categories: resources, improved cost competitiveness, access to leading edge technologies and brands, access to important markets. Participants are exposed to the site selection process based on criteria. This module reviews different investment climate analyses of comparable countries (benchmarking) and the necessity to work closely with FDI partners to improve weak conditions. The investment climate plays a key role in FDI attraction.

Module 3: Creating an investment strategy

Analysis is the foundation of a performing FDI strategy which becomes the IPA road map and it contains its objectives and action plan. It is based on existing national industrial strategies, as much for current

investors as for those in the future. It includes the designation of priority sectors and the need to formulate specific strategies for each one of them. The strategy is based on the competitive advantages of each location in comparison with competing jurisdictions and it is aimed at the identification of potential investors by countries and priority sectors.

Module 4: Marketing - Creation of a better image and visibility

This module concentrates on the marketing strategies that an IPA must adapt on the bases of multiple factors including an investor perception analysis, the positioning of the country in the global context, existing industrial clusters, the reputation of the country in those sectors, political and economic stability etc. Once this analysis is completed, the IPA can proceed to the production of marketing tools, including a performing website and well targeted promotional campaigns.

Module 5: Lead Generation

Using priority sectors as a basis, this module focuses on lead generation activities such as the production of target lists of potential investors. It proposes a number of preparatory activities or steps to follow ranging from the identification of targets on a country and sector basis, the analysis of those firms using qualitative, quantitative and financial criteria, the ranking of those targets for each priority market and based on resources available to make the company visits. This leads to an investment prospection program.

Module 6: Identification of FDI prospects

Once the target analysis and ranking work are accomplished, the next step consists in converting the targets into investment prospects. Additional analysis and approach methodologies are proposed, including the production of detailed briefs profiling the company and the production of sector value propositions for the priority sector. The use of commercial databases and consultants is also discussed to better qualify these firms, including the latest press reports on the company performance. An example of a European mission prospects portfolio is presented to best illustrate the work of an IPA or Mission officer in the field.

Module 7: Managing Campaigns - Company Calls

This module is devoted to approach methodologies with potential investors using well proven sales techniques. It is often what is missed most by IPA personnel abroad because they have not developed the required knowledge, skills and confidence to make convincing presentations to their interlocutors and influence decisions. The ultimate goal is to convince the company to visit your country and ultimately to invest into it. The Intel business case is presented to illustrate the decision process starting with long lists, moving on to short lists, and the final decision. The case study which concludes this chapter is particularly praised by participants because it engages them in role plays on the occasion of a fictive visit to a potential investor. It demonstrates the big challenge in capturing the attention of a busy CEO who does not get influenced easily.

Module 8: Managing Partnerships

This module provides an overview of the challenges faced by IPAs which attempt to influence foreign investors in a climate that is not always ideal. Federal, provincial, and regional ministries in addition to municipal governments have a role to play in FDI attraction and they form the FDI partnership. The strength of this partnership can often make the difference between success and failure. IPAs can shape this partnership in a way that they become a one stop shop for foreign investors. They deal with a variety of issues ranging from incentives, policies, regulations, investment marketing, the identification and qualification of prospects and the relationship with existing investors or aftercare. The Canadian model is presented as one example.

Module 9: Aftercare - A pro-active approach

Most IPAs in collaboration with the country FDI Partnership have developed mechanisms to follow-up on foreign affiliates through "aftercare" programs. These programs are initially aimed at solving issues the affiliates may be faced with but it can be converted into a pro-active program aimed at convincing the affiliate and the mother company to expand in the country. Aftercare is reported to account for some 70% of new investments in a country. This module therefore proposes a series of steps to follow in developing with the affiliate a strategic approach to the mother company which could lead to an expansion and the gaining of new mandates. In this context, the respective roles of IPA officers at HQ and abroad are reviewed, particularly concerning the communications strategy based on back to back calls. The one stop shop concept by the IPA supported by the FDI Partnership is also pertinent for the aftercare function.

Module 10: Business Process Outsourcing (BPO)

This module represents a typical targeted sector by most world IPAs because it is one of the most dynamic segments of the services industry and one of the fastest creator of jobs. Placed at the end of the training program, it has the benefit of synthesizing all lessons learned previously. This module starts with a world perspective on the BPO industry and its key players. It then portrays the Canadian BPO experience and concludes with the South African BPO profile which includes the key competitive advantages which foreign investors can benefit from.